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July 27, 2001

RECEIVED

Magalie R. Salas, Esq. Secretary Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554

JUL 27 2001

FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

Re:

CC Docket No. 00-251

In the Matter of Petition of AT&T Communications of Virginia, Inc., TCG Virginia, Inc., ACC National Telecom

Corp., MediaOne of Virginia and MediaOne

Telecommunications of Virginia, Inc. for Arbitration of an Interconnection Agreement With Verizon Virginia, Inc. Pursuant to Section 252(e)(5) of the Telecommunications

Act of 1996

Dear Ms. Salas:

Enclosed for filing in this proceeding are an original and twelve copies of the parties' revised Joint Decision Point List reflecting the restatement of the issues which Verizon raised in its Motion to Dismiss. A copy of this letter and the Joint Decision Point List is being served on Verizon Virginia, Inc. by hand delivery and by email.

Thank you for your consideration in this matter.

Sincerely yours,

Mark A Keffer

cc: Service List

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Before the Federal Communications Commission Washington, D.C. 20554

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THE PARTIENS COMMISSION

)	
In the Matter of)	
Petition of AT&T Communications)	
of Virginia, Inc., Pursuant)	
to Section 252(e)(5) of the	Ś	
Communications Act, for Preemption	<u>,</u>	CC Docket No. 00-251
of the Jurisdiction of the Virginia)	
State Corporation Commission)	
Regarding Interconnection Disputes)	
with Verizon-Virginia, Inc.)	
)	

CERTIFICATE OF SERVICE

I hereby certify that on this 27th day of July, 2001, a copy of the parties Revised Joint Decision Point List containing restatements of the issues which Verizon raised in its Motion to Dismiss was sent via overnight delivery and emailed to:

Dorothy Attwood Common Carrier Bureau Federal Communications Commission Room 5-C450 445 12th Street, S.W. Washington, D.C. 20544

Jeffrey Dygert
Assistant Bureau Chief
Common Carrier Bureau
Federal Communications Commission
Room 5-C317
445 12th Street, S.W.
Washington, D.C. 20544

Katherine Farroba, Deputy Chief Policy and Program Planning Divison Common Carrier Bureau Federal Communications Commission Room 5-C317 445 12th Street, S.W. Washington, D.C. 20544 Jodie L. Kelley, Esq. Jenner and Block 601 13th Street, NW Suite 1200 Washington, D.C. 20005 (for WorldCom)

Jill Butler, Esq. Vice President of Regulatory Affairs Cox Communications, Inc. 4585 Village Avenue Norfolk, Virginia 23502

Karen Zacharia, Esq. Verizon, Inc. 1320 North Court House Road Eighth Floor Arlington, Virginia 22201

Stephanie A. Baldanzi

REVISED PORTION OF THE JOINT DECISION POINT LIST Restatement of Issues Raised in Verizon's Motion to Dismiss

WorldCom, Cox, AT&T ads. Verizon

(Docket Nos. 00-218, 00-249, and 00-251)

ISSUE NUMBERING KEY:

Category I: (1) unique to Cox or common to (2) Cox and WorldCom, (3) Cox and AT&T, or (4) all Petitioners

Category II: common to WorldCom and AT&T (pricing/costing)

Category III: common to WorldCom and AT&T (non-pricing/non-cost)

Category IV: unique to WorldCom Category V: unique to AT&T

Category VI: Verizon supplemental issues with WorldCom

Category VII: Verizon supplement issues with AT&T

KEY WHERE DISTINCTION AMONG PETITIONERS IS NECESSARY:

WorldCom (beld)

Cox (underline text)

AT&T (italic)

The parties restated the issues listed here at the direction of the FCC following the filing of Verizon's Motion to Dismiss. The parties will incorporate these restated issues into one JDPL when the JDPL is filed again on September, 10, 2001, as set forth in the FCC's current schedule.

Issue No.	Statement of Issue	Petitioners' Proposed Contract Language	Petitioners' Rationale	Verizon's Proposed Contract Language	Verizon Rationale
			Intercarrier Con	npensation	
1-5	Should the agreement	"ISP-bound Traffic" shall	There needs to be agreed-	[*Cox and Verizon continue discussions regarding the	Verizon has provided to AT&T, WorldCom
1	implement the	have the same meaning as is	upon rules to implement	following proposed language, which may change based	and Cox its proposed contract language
	Commission's recent ISP	used in the FCC's Order on	certain provisions of the	on those discussions]	designed to give effect to the ISP Remand
	Intercarrier Compensation	Remand and Report and	Commission's recent		Order as appropriate in the context of a
1	Order?	Order in CC Docket Nos. 96-	order, and the parties'	1.25a "Extended Local Calling Scope Arrangement"	§ 252 interconnection agreement.
į.		98 & 99-68, FCC 01-131,	interconnection agreement	means an arrangement that provides a Customer a local	Moreover, Verizon has now received
	Verizon may not refuse to	released April 27, 2001 ("ISP	is the most sensible place	calling scope (Extended Area Service, "EAS"), outside	proposed contract language from both
1	include in the Agreement an	Remand Order").	to establish such rules.	of the Customer's basic exchange serving area.	WorldCom and Cox. Because of the recent
}	adequate description of the	Section x. Compensation for	The agreement should	Extended Local Calling Scope Arrangements may be	release of the ISP Remand Order, the
	rates, terms and conditions	ISP-bound Traffic	specify: 1) How to	either optional or non-optional. "Optional Extended	Parties have not had the opportunity to

Issue		Petitioners' Proposed Contract	Petitioners' Rationale				
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale		
			[
	applicable to the parties'		calculate the 3:1 ratio; 2)	Local Calling Scope Arrangement Traffic" is traffic	engage in meaningful negotiations related		
j	implementation of the FCC's	x.1 This section is	How to implement the rate	that under an optional Extended Local Calling Scope	to the exchange of this contract language.		
į	ISP Order, including	intended to implement the	caps for ISP-bound	Arrangement chosen by the Customer terminates	Accordingly, Verizon suggests that Issue		
Į.	provisions addressing the	FCC's ISP Remand Order for	traffic: 3) How to	outside of the Customer's basic exchange serving area.	No. I-5 be added to the mediation track in		
İ	following questions:	any period in which both the	implement a potential		order to develop contractual language and		
1		ISP Remand Order and this	Verizon offer to exchange	1.26 "FCC" means the Federal Communications	further refine any outstanding issues.		
1	What are the appropriate	Agreement are in effect. The	all (b)(5) traffic	Commission.	Consistent with its previous		
	terms and conditions to	terms used in this Section x	WorldCom at FCC-		communications regarding the mediation		
1	comprehensively implement	shall have the same meaning as	mandated rates; and 4)	1.26a "FCC Internet Order" means the FCC's Order	track, Verizon's proposal is contingent on		
1	the Commission's ISP	those terms are used in the ISP	Whether a change of law	on Remand and Report and Order, In the Matter of	participation by all Parties to ensure that the		
1	Remand Order?	Remand Order. Additionally,	provision specifically	Implementation of the Local Competition Provisions in	issue is not split for purposes of the timing		
1		as used in this Agreement, the	addressing possible	the Telecommunications Act of 1996, Intercarrier	of any testimony.		
		term "ISP-bound Traffic"	reversal of the FCC's ISP	Compensation for ISP Bound Traffic, FCC 01-131, CC			
ł		shall have the same meaning as	order is appropriate.	Docket Nos. 96-98 and 99-68 (adopted April 18,	With regard to AT&T's currently proposed		
		the term is used in the ISP		2001).	Issues I-5, Verizon agrees that this issue		
}		Remand Order.			ultimately is appropriate for arbitration		
į.		x.2 The Parties agree to		1.29a "Information Access" means the provision of	should the Parties fail to resolve it in the		
-		pay each other for delivering	Specific terms and	specialized exchange telecommunications services in	context of mediation.		
ľ		ISP-bound Traffic and section	conditions regarding the	connection with the origination, termination,			
		251(b)(5) traffic in accordance	treatment of ISP-bound	transmission, switching, forwarding or routing of	Unlike AT&T, WorldCom suggests several		
ļ		with the terms and conditions	traffic must not be excluded	telecommunications traffic to or from the facilities of a	sections of contract language without		
		of this section x. For purposes	from the Agreement.	provider of information services.	defining precisely the issues other than to		
		of this section x, ISP-bound			say that the issue to be arbitrated "is how		
		Traffic and section 251(b)(5)	To avoid protracted	1.41a "Measured Internet Traffic" means dial-up,	best to implement and operationalize the		
		local traffic shall be identified	controversy over the	switched Internet Traffic originated by a Customer of	Commission's ISP Remand Order." As		
1	l.	in accordance with the	implementation of the	one Party on that Party's network at a point in a	currently proposed, WorldCom's proposed		
1		provisions of Section x.4	FCC's ISP Order, the	Verizon local calling area, and delivered to a Customer	Issue 1-5 is inappropriate for arbitration		
1 1		below.	Agreement must contain	or an Internet Service Provider served by the other	because of its failure to focus on particular		
			requisite rates, terms and	Party, on that other Party's network at a point in the	issues arising out of differences in proposed		
		x.3 The information	conditions with sufficient	same Verizon local calling area. Verizon local calling	contract language. If WorldCom would		
		access rates described in	specificity to guide the	areas shall be as defined in Verizon's effective	agree to the issues as restated by AT&T, as		
		Sections x.3.2. for the delivery	parties' activities.	Customer Tariffs (including, but not limited to, to the extent applicable, Verizon Tariffs S.C.CVaNos. 201	noted above, Verizon suggests that they can best be resolved in the context of mediation.		
		of ISP-bound Traffic shall		and 202). For the purposes of this definition, a	best be resorved in the context of mediation.		
1		apply only if: (a) Verizon	Each party's new	Verizon local calling area includes a non-optional	With respect to Cox, Verizon is review its		
		requests that ISP-bound	language should be crafted	Extended Local Calling Scope Arrangement, but does	Issues I-5 and will consider them in		
VEV WIT	THE DISTRICTION AND AND A	Traffic be treated at the rates		Extended Local Canning Scope Arrangement, but does	155ues 1-3 and will consider ment in		
KEY WH	KEY WHERE DISTINCTION AMONG PETITIONERS IS NECESSARY: World Com (bold); Cox (underline text); AT&T (italic).						

Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
		Traffic be treated at the rates	only to implement the ISP	not include an optional Extended Local Calling Scope	mediation.
		specified in the ISP Remand	Order and not to introduce	Arrangement. Calls originated on a 1+ presubscription	
		Order; (b) Verizon offers to	new issues or controversies	basis, or on a casual dialed (10XXX/101XXXX) basis,	
		exchange all traffic subject to	to this proceeding.	are not considered Measured Internet Traffic.	
		the reciprocal compensation			
İ		provisions of section 251(b)(5)	In the wake of the recent	1.60 "Reciprocal Compensation" means the	
ļ		with LECs, CLECs, and MRS,	ISP Remand Order, a	arrangement for recovering, in accordance with Section	
		at these information access	number of critical	251(b)(5) of the Act, the FCC Internet Order, and other	
1		rates; and (c) Verizon has paid	implementation issues	applicable FCC orders and FCC Regulations, costs	
		all passed due amounts owed	remain concerning the	incurred for the transport and termination of	
		on WorldCom's delivery of	three-year transitional	Reciprocal Compensation Traffic originating on one	t e
		ISP-bound Traffic prior to	intercarrier compensation	Party's network and terminating on the other Party's	
l		June 14, 2001. If Verizon does	scheme for ISP-bound	network (as set forth in subsection 5.7).	
ĺ		not comply with these	traffic. AT&T's proposed		
ŀ		conditions, then the rate for	contract language provides	1.60a "Reciprocal Compensation Traffic" means	
ľ		the delivery of ISP-bound	a compelling framework for	Telecommunications traffic originated by a Customer	
		Traffic shall be the rate for	addressing these complex	of one Party on that Party's network and terminated to	
		reciprocal compensation set	issues. Among other things,	a Customer of the other Party on that other Party's	
		forth in Table 1 of this	AT&T proposes mechanisms	network, except for Telecommunications traffic that is	
		Attachment.	for: calculating the amount	interstate or intrastate Exchange Access, Information	
		x.3.1 The reciprocal	of ISP-bound traffic under	Access, or exchange services for Exchange Access or	
		compensation rates shown in	the Commission's 3:1 ratio;	Information Access. Reciprocal Compensation Traffic	
		Table 1 apply to the exchange	determining appropriate	does not include: (1) any Internet Traffic; (2) Toll	
		of all section 251(b)(5) traffic.	growth caps and rate caps;	Traffic, including, but not limited to, calls originated	
]		x.3.2 Information Access	implementing any Verizon	on a 1+ presubscription basis, or on a casual dialed	
		Rates. For the period	offer to offer exchange all	(10XXX/101XXXX) basis; (3) Optional Extended	
		beginning on June 14, 2001	traffic subject to section	Local Calling Arrangement Traffic; (4) special access,	
1		and ending on December 13,	251(b)(5) at the rate	private line, Frame Relay, ATM, or any other traffic	
		2001, the Party delivering ISP-	mandated by the FCC for	that is not switched by the terminating Party; or, (5)	
ľ		bound Traffic will bill the	terminating ISP-bound	Tandem Transit Traffic.	
}		Party originating this traffic	traffic; and adopting		
1		an information access rate of	changes resulting from		
		\$.0015 per minute of use	successful legal appeals of	1.71 "Toll Traffic" means traffic that is originated	
		(MOU). To the extent that this	the ISP Remand Order.	by a Customer of one Party on that Party's network and	
İ		Agreement remains in effect,	Moreover, AT&T's	terminates to a Customer of the other Party on that	
		beginning on December 14.	proposed language will	Party's network and is not Reciprocal Compensation	

Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
}		beginning on December 14,	clarify certain ambiguities	Traffic, Measured Internet Traffic or Ancillary Traffic.	
1		2001, and ending on June 13,	in the Commission's	Toll Traffic may be either "IntraLATA Toll Traffic" or	
1 1		2003, the Party delivering ISP-	decision and will allow	"InterLATA Toll Traffic," depending on whether the	
1 1		bound Traffic will bill the	AT&T and Verizon to	originating and terminating points are within the same	
1 1		Party originating this traffic	implement this new	LATA.	
		an information access rate of	intercarrier compensation	MITT.	
1 1		\$.001 per MOU. To the extent	regime in an expeditious	1.71a "Traffic Factor 1" means a percentage	
i i		that this Agreement remains in	manner.	calculated by dividing the number of minutes of	
1		effect, beginning on June 14,	, mariner.	interstate traffic (excluding Measured Internet Traffic)	
!		2003, and ending on June 13,		by the total number of minutes of interstate and	
		2004, the Party delivering ISP-		intrastate traffic. ([Interstate Traffic Total Minutes of	
}		bound Traffic will bill the		Use {excluding Measured Internet Traffic Total	
t l		Party originating this traffic		Minutes of Use } ÷ {Interstate Traffic Total Minutes of	
1		an information access rate of		Use + Intrastate Traffic Total Minutes of Use \[\] x 100).	
1		\$.0007 MOU. The ISP		Until the form of a Party's bills is updated to use the	
1		Remand Order specifies that,		term "Traffic Factor 1," the term "Traffic Factor 1"	
		in the event the FCC does not		may be referred to on the Party's bills and in billing	
!		take further action within the		related communications as "Percent Interstate Usage"	
		final period during which the		or "PIU."	
		\$.0007 per MOU information			
		access is applicable to ISP-		1.71b "Traffic Factor 2" means a percentage	
)		bound Traffic, that period will	1	calculated by dividing the combined total number of	
		be extended until the FCC		minutes of Reciprocal Compensation Traffic and	
		takes such further action. The		Measured Internet Traffic by the total number of minutes	
		Parties agree that the \$.0007		of intrastate traffic. ([{Reciprocal Compensation Traffic	
}		per MOU information access	}	Total Minutes of Use + Measured Internet Traffic Total	
Į į		rate will continue in effect for		Minutes of Use + Intrastate Traffic Total Minutes of	
		ISP-bound Traffic beyond		Usel x 100). Until the form of a Party's bills is updated	
1		June 13, 2004, if the FCC fails	1	to use the term "Traffic Factor 2," the term "Traffic	
		to take such further action by		Factor 2" may be referred to on the Party's bills and in	
ł		that date, to the extent this		billing related communications as "Percent Local Usage"	
1		Agreement remains in effect	1	or "PLU."	
1		during such period.			
[x.4. Identification of ISP-			
]		bound Traffic and 251(b)(5)		5.6.1.1 If the originating Party passes CPN on ninety-	
VEV WHE	DE DISTRICTION AND AND AND AND AND AND AND AND AND AN	local traffic. Traffic that	V 116 (11) C (11)		L

Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
ĺ		local traffic. Traffic that		five percent (95%) or more of its calls, the receiving	
j		originates on Verizon's		Party shall bill the originating Party the Reciprocal	
ļ		network and that WorldCom		Compensation Traffic call completion rate, Measured	
ļ		delivers to a MCIm customer		Internet Traffic rate, Intrastate Exchange Access rates,	
		and that is in excess of a ratio		intrastate/interstate Tandem Transit Traffic rates, or	
j		of 3:1 of all of the local MOU		interstate Exchange Access rates applicable to each	
j		that originates on MCIm's		minute of traffic, as provided in Exhibit A, the FCC	
		network for delivery by		Internet Order and applicable Tariffs, for which CPN	
		Verizon to Verizon's		is passed. For any remaining (up to 5%) calls without	
		customers. The Parties		CPN information, the receiving Party shall bill the	
1		further agree that such traffic		originating Party for such traffic as Reciprocal	
}		that MCIm delivers for		Compensation Traffic call completion rate, Measured	
1		Verizon which is in not in		Internet Traffic rate, intrastate Exchange Access rates,	
1		excess of a ratio of 3:1 of all of		intrastate/interstate Tandem or Tandem Transit	
ì		the MOU that Verizon's		Traffic rates, or interstate Exchange Access rates	
İ		delivers for MCIm shall be		applicable to each minute of traffic, as provided in	
{		billed by MCIm at the		Exhibit A, the FCC Internet Order and applicable	
[reciprocal compensation rates		Tariffs, in direct proportion to the minutes of use of	
		contained in Table 1 to this		calls passed with CPN information.	
1		Agreement.			
}		x.4.1. The Parties		5.6.1.2 If the originating Party passes CPN on less	
ł		agree that (a) MOU		than ninety-five percent (95%) of its calls and the	
j		originated by MCIm		originating Party chooses to combine Reciprocal	
Ì		over inter-connection		Compensation and Toll Traffic on the same trunk	
•		trunks between		group, the terminating Party shall bill its interstate	
}		MCIm's local switches		Switched Exchange Access Service rates for all traffic	
ļ		and Verizon's local		passed without CPN unless the Parties agree that such	
		network, and (b)		other rates should apply to such traffic.	
Į		MOU originated by			
		MCIm over the		5.6.2 Either Party may classify traffic as either	
ļ		Network Element		Reciprocal Compensation Traffic/Measured Internet	
		Platform (UNE-P)		Traffic or Toll Traffic for billing purposes by using	
ŀ		leased from Verizon		Traffic Factor 1 and Traffic Factor 2, in lieu of CPN	
1		shall be included for		information. The Traffic Factor 1 and Traffic Factor 2	
		purposes of the 3:1		applicable upon the Effective Date are specified in	
		ratio calculation		Schedule 5.6. Such Traffic Factors may be updated by	

Issue No.	Statement of Issue	Petitioners' Proposed Contract	Petitioners' Rationale	Variant Barrat Catalla	V . D.
140.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
		ratio calculation	<u> </u>	the originating Party quarterly by written notification.	
{		described in Section		The determination of whether traffic is Reciprocal	
1 1		x.4.		Compensation Traffic or Measured Internet Traffic	
1				shall be in accordance with Section 5.7.5, below.	
]]		x.4.2 The 3:1 ratio will be			
1		computed by using the billing			
1 1		Party's recordings of calls		5.7 Reciprocal Compensation Arrangements	
1 1		originated from and		Section 251(b)(5)	
		terminating to its customers.			
		When such recordings are		5.7.1 The Parties shall compensate each other for the	
1		unavailable from the facilities		transport and termination of Reciprocal Compensation	
1		of the billing Party, call		Traffic over the terminating carrier's switch in	
1 1		records supplied to the billing		accordance with Section 251(b)(5) of the Act at the	
1 1		Party may be used for the		rates provided in the Detailed Schedule of Itemized	
1		ratio computation.		Charges (Exhibit A hereto), as may be amended from	
1 1		x.5. Demand or Minutes of		time to time in accordance with Exhibit A and	
1 1		Use Cap. For ISP-bound		subsection 20.1. These rates are to be applied at the	
1 1		Traffic exchanged during the		Cox-IP for traffic delivered by Verizon, and at the	
1		year 2001, and to the extent		Verizon-IP for traffic delivered by Cox. No additional	
]]		this Agreement remains in		charges shall apply for the termination of such	
} 1		effect during that year, the		Reciprocal Compensation Traffic delivered to the	
1 [information access rates set		Verizon-IP or the Cox-IP by the other Party, except as	
1 1		out in Section x.3.2 shall be		set forth in Exhibit A. When such Reciprocal	
1 1		billed by MCIm to Verizon on		Compensation Traffic is terminated over the same	
]]		ISP-bound Traffic for MOU		trunks as IntraLATA Toll Traffic, any port or transport	
1		only up to a ceiling equal to, on		or other applicable access charges related to the	
, ,		an annualized basis, the		delivery of IntraLATA Toll Traffic from the IP to an	
[number of ISP-bound minutes		end user shall be prorated to be applied only to the	
1		originated on Verizon's		IntraLATA Toll Traffic. The designation of traffic as	
] [network and delivered by		Reciprocal Compensation Traffic for purposes of	
] }		MCIm during the first quarter		Reciprocal Compensation shall be based on the	
]		of 2001, plus a ten percent		originating and terminating NPA-NXXs points of the complete end-to-end communication. Reciprocal	
		growth factor. For ISP-bound			
		Traffic exchanged during the		Compensation shall apply to Internet Traffic handed off	
		year 2002, and to the extent		from one Party to the other Party via the switched network for delivery to an Internet Service Provider	
KEY WHE		this Agreement remains in			

Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
		this Agreement remains in		("ISP") for carriage over the Internet.	
į		effect during that year, the			
		information access rates set		5.7.2 Transport and termination of the following	
1		out in Section x.3.2 shall be		types of traffic shall not be subject to the Reciprocal	
		billed by MCIm to Verizon on		Compensation arrangements set forth in this subsection	
		ISP-bound Traffic for MOU		5.7, but instead shall be treated as described or	
l		only up to a ceiling equal to the		referenced below:	
		number of ISP-bound minutes			
1		originated on Verizon's		(a) Traffic that (i) is delivered by Verizon to Cox, (ii)	
ļ		network and delivered by		originates from and/or terminates to a third party	
ļ		MCIm for the year 2001, plus		carrier, and (iii) is not switched access traffic shall be	
1		a ten percent growth factor.		treated as Tandem Transit Traffic under Section 7.3.	
		For ISP-bound Traffic			
1		exchanged during the year		(b) Traffic that (i) is delivered by Cox to Verizon, (ii)	
ļ		2003, and to the extent this		originates from and/or terminates to a third party carrier,	
į		Agreement remains in effect		and (iii) is not switched access traffic shall be treated	
		during that year, the		as Tandem Transit Traffic under Section 7.3.	
]		information access rates set			
		out in Section x.3.2 shall be		(c) Switched Exchange Access Service and InterLATA	
		billed by MCIm to Verizon on		or IntraLATA Toll Traffic shall continue to be governed	
j		ISP-bound Traffic for MOU		by the terms and conditions of the applicable Tariffs and,	
1		only up to a ceiling equal to the		where applicable, by a Meet-Point Billing arrangement	
1		number of ISP-bound minutes		in accordance with subsection 6.3.	
		terminated by Verizon to			
		MCIm for the year 2002.		(d) No Reciprocal Compensation shall apply to Internet	
		x.6 Reservation of Rights.		Traffic.	
İ		The terms of Sections x.3,			
ĺ		x.3.2, Table 1 (rate schedule),		(e) No Reciprocal Compensation shall apply to traffic	
[x.4, x.4.x, and x.4.2 may be		that is not switched by the terminating Party, such as	
		voided by either Party, upon		special access, private line, or any other nonswitched	
1		written notice to the other		traffic.	
		party, if any legislative,		40 0	
1		regulatory, or judicial action,		(f) Compensation for IntraLATA intrastate alternate-	
		rule, or regulation modifies,		billed calls (e.g., collect, calling card, and third-party	
		reverses, vacates, or remands		billed calls originated or authorized by the Parties'	
		the ISP Remand Order, in		respective Customers in Virginia) shall be provided for	

Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
1		the ISP Remand Order, in		under a separate arrangement mutually agreed to by the	
1		whole or in part. If these		Parties.	
1		Sections become void as			
		provided herein, then: (a)		(g) Any other traffic not specifically addressed in this	
		ISP-bound Traffic shall be		subsection 5.7 shall be treated as provided elsewhere in	
1		deemed section 251(b)(5)		this Agreement, or if not so provided, as required by the	
1		traffic under this Agreement,		applicable Tariff of the Party transporting and/or	
1		retroactive to the effective date		terminating traffic.	
1		of this Agreement; (b) any			
1		compensation that would have		5.7.3 Nothing in this Agreement shall be construed to	
1		been due under this		limit either Party's ability to designate the areas within	
} }		Agreement since its effective		which that Party's Customers may make calls which that	
1 1		date for the exchange of ISP-		Party rates as "local" in its Customer Tariffs.	
]]		bound Traffic shall			
1 1		immediately be due and		5.7.4 The determination of whether traffic is	
1		payable; and (c) the Parties		Reciprocal Compensation Traffic or Internet Traffic	
! !		shall immediately begin the		shall be performed in accordance with Paragraphs 8	
		exchange of ISP-bound Traffic		and 79, and other applicable provisions, of the FCC	
]		that was subject to the ISP		Internet Order (including, but not limited to, in	
1		Remand Order on the same		accordance with the rebuttable presumption established	
		terms, conditions, and rates as		by the FCC Internet Order that traffic delivered to a	
1		they exchange section		carrier that exceeds a 3:1 ratio of terminating to	
[]		251(b)(5) traffic.		originating traffic is Internet Traffic, and in accordance	
1		Ì		with the process established by the FCC Internet Order	
		5.7.7 Reciprocal Compensation		for rebutting such presumption before the	
[for Internet Traffic		Commission).	
1		101 menet Traine			
]]		5.7.4 The designation of traffic as Local or IntraLATA	
		5.7.7.1 Scope		Toll for purposes of compensation shall be based on the	
		(a) This Subsection is intended		horizontal and vertical coordinates associated with the	
1		to implement the FCC's Order		originating and terminating NPA-NXXs of the call,	
		on Remand and Report and		regardless of the carrier(s) involved in carrying any	
		Order in CC Docket Nos. 96-98		segment of the call.	
		& 99-68, FCC 01-131, released			
		April 27, 2001 ("ISP Order"),		5.7.5 Each Party reserves the right to audit all Traffic,	
		for any period in which the ISP		up to a maximum of two audits per calendar year, to	
KEN WHE	B B B B B B B B B B B B B B B B B B B	DETITIONEDS IS NECESSARY. W			

Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
		Order is effective during the		ensure that rates are being applied appropriately;	
		Term of this Agreement. The		provided, however, that either Party shall have the right	
1		terms used in this section shall		to conduct additional audit(s) if the preceding audit	
1		have the same meaning as those		disclosed material errors or discrepancies. Each Party	
1		terms are used in the ISP Order.		agrees to provide the necessary Traffic data in	
1		Additionally, as used in this		conjunction with any such audit in a timely manner.	
1		Agreement, the term "Internet			
1		Traffic" shall have the same		5.7.6 The Parties will engage in settlements of	
		meaning as the term "ISP-bound		intraLATA intrastate alternate-billed calls (e.g., collect,	
1		traffic" is used in the ISP Order.		calling card, and third-party billed calls) originated or	
1				authorized by their respective Customers in Virginia in	• .
		(b) The Parties agree to pay		accordance with the terms of a separate IntraLATA	
1 1		each other for terminating		Telecommunications Services Settlement Agreement	
		Internet Traffic and section		between the Parties, to be executed no later than 90days	
1		251(b)(5) traffic in		following the Effective Date of this Agreement.	
}		accordance with the terms			
1		and conditions of this		5.7.7 The Parties' rights and obligations with respect	
1 1		section. For purposes of		to any intercarrier compensation that may be due in	
		this section, Internet Traffic		connection with their exchange of Internet Traffic shall	
]]		and section 251(b)(5) traffic		be governed by the terms of the FCC Internet Order,	
1		shall be identified in		and other applicable FCC orders and FCC Regulations.	
1		accordance with the		Notwithstanding any other provision of this Agreement	
1 1		provisions of subsection		or any Tariff, a Party shall not be obligated to pay any	
		5.7.7.3 below.		intercarrier compensation for Internet Traffic that is in	
1 1				excess of the intercarrier compensation for Internet	
1		}		Traffic that such Party is required to pay under the	
1		[Note: the contract language		FCC Internet Order and other applicable FCC orders	
		listed here covers AT&T's		and FCC Regulations.	
[[restated 1.5 as well as 1.5a		670	
]]		through 1.5e.]		5.7.8 In addition to those audit rights provided in	
j		Add to section 1:		Section 5.7.5 above, Verizon may conduct audits of the	
				traffic billed as Reciprocal Compensation Traffic to	
1		"ISP-bound Traffic" shall have		determine whether such traffic is Reciprocal	
 		the same meaning, when used in		Compensation Traffic and therefore subject to	
Ì		this Agreement, as is used in the		Reciprocal Compensation. If any such traffic is	
L	DE DICTINICATION AND AND	FCC's Order on Remand and	/- LIC (h-14). C (determined not to be Reciprocal Compensation Traffic,	<u> </u>

Issue No.	Statement of Issue	Petitioners' Proposed Contract Language Petitioners' Rationa	le Verizon's Proposed Contract Language	Verizon Rationale
		FCC's Order on Remand and	Verizon shall not pay Reciprocal Compensation for that	
1		Report and Order in CC Docket	portion which is determined not to be Reciprocal	
		Nos. 96-98 & 99-68, FCC 01-	Compensation Traffic.	
1		131, released April 27, 2001		
		(ISP Remand Order).		
}			7.1 Information Services Traffic	
{		Add to section 5:		
1			The following provisions shall apply only to Cox-	
		1. This section is	originated Information Services Traffic directed to an	
}		intended to implement the ISP	Information Services platform connected to Verizon's	
		Remand Order for any period in	network, should Cox elect to deliver such traffic to	
		which the ISP Remand Order is	Verizon. At such time as Cox connects Information	
		effective during the Term of this	Services platforms to its network, the Parties shall	
1		Agreement. The Parties agree to	agree upon a comparable arrangement for Verizon-	
1		compensate each other for	originated Information Services Traffic. The	
\ \ \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\		delivering ISP-bound traffic and	Information Services Traffic subject to the following	
		section 251(b)(5) traffic in	provisions is circuit switched voice traffic, delivered to	
' l		accordance with the terms and	information service providers who offer recorded	
		conditions of this section and	announcement information or open discussion	
ì		section 5.7. For purposes of	information programs to the general public.	
į.		this section, ISP-bound traffic	Information Services Traffic does not include Internet	
l		and section 251(b)(5) Local	Traffic.	
		Traffic shall be identified in		
ļ		accordance with the provisions		
		of section 2 below.	The following language was proposed to both	
			AT&T and WorldCom. Accordingly, in an	
Į		2. Compensation for		
		ISP-bound Traffic	effort to preserve space, the language is both	
		2.1. All Local Traffic that is	bold and italicized.	
}		terminated by one Party for the		
		other Party pursuant to this	I. Traffic Measurement and Billing over	
		Agreement within any calendar	Interconnection Trunks	
j		quarter in excess of an amount		
		(measured by total minutes of	1.1 For billing purposes, each Party shall pass	
1		use) that is three times the traffic	Calling Party Number (CPN) information on at least	
		that is terminated by the other	ninety-five percent (95%) of calls carried over the	

Issue		Petitioners' Proposed Contract Petitio	ners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
					
		Party pursuant to this		Interconnection Trunks.	
		Agreement shall be conclusively			
		defined as ISP-bound Traffic.		1.1.1 As used in this Section 0, "Traffic Rate"	
		All other Local Traffic that is		means the applicable Reciprocal Compensation	
		exchanged between the Parties		Traffic rate, Measured Internet Traffic rate, intrastate	
		shall be conclusively defined as		Switched Exchange Access Service rate, interstate	
1		any call that would be		Switched Exchange Access Service rate, or	
!		considered a local call ("Voice		intrastate/interstate Tandem Transit Traffic rate, as	
		Traffic").		provided in the Pricing Attachment, an applicable	
				Tariff, or, for Measured Internet Traffic, the FCC	
		2.2. All Voice Traffic and all		Internet Order.	
Į		ISP-bound Traffic that is			
ŀ		exchanged pursuant to this		1.1.2 If the originating Party passes CPN on ninety-	
		Agreement shall be compensated		five percent (95%) or more of its calls, the receiving	
j		as follows:		Party shall bill the originating Party the Traffic Rate	
1				applicable to each relevant minute of traffic for which	
}		2.2.1. All Voice Traffic that is		CPN is passed. For any remaining (up to 5%) calls	
1		exchanged pursuant to this		without CPN information, the receiving Party shall	İ
İ		Agreement shall be compensated		bill the originating Party for such traffic at the	
I		pursuant to Exhibit A.		Traffic Rate applicable to each relevant minute of	
				traffic, in direct proportion to the minutes of use of	
]		2.2.2. All ISP-bound Traffic that		calls passed with CPN information.	
ì		is exchanged pursuant to this			
j		Agreement shall be compensated		1.1.3 If the originating Party passes CPN on less	
j		as follows:		than ninety-five percent (95%) of its calls and the	
		}		originating Party chooses to combine Reciprocal	
[(a) Commencing on the		Compensation Traffic and Toll Traffic on the same	
į		effective date of this Agreement		trunk group, the receiving Party shall bill the higher	
ŧ		and continuing until December		of its interstate Switched Exchange Access Service	
Ì		13, 2001, \$.0015 per minute of		rates or its intrastate Switched Exchange Access	
1		use.		Services rates for all traffic that is passed without	
İ				CPN, unless the Parties agree that other rates should	
1		(b) Commencing on		apply to such traffic.	
1		December 14, 2001 and			
1		continuing until June 13, 2003,		1.2 At such time as a receiving Party has the	
Į		\$.0010 per minute of use.		capability, on an automated basis, to use such CPN to	
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Issue		Petitioners' Proposed Contract Pet	titioners' Rationale	T	
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
		\$.0010 per minute of use.		classify traffic delivered over Interconnection Trunks	
				by the other Party by Traffic Rate type (e.g.,	
		(c) Commencing on June		Reciprocal Compensation Traffic/Measured Internet	
		14, 2003, \$.0007 per minute of		Traffic, intrastate Switched Exchange Access Service,	
		use. To the extent that the FCC		interstate Switched Exchange Access Service, or	
		has not taken further action with		intrastate/interstate Tandem Transit Traffic), such	
1		respect to inter-carrier		receiving Party shall bill the originating Party the	
j		compensation for ISP-bound		Traffic Rate applicable to each relevant minute of	
		Traffic by June 14, 2004 and this		traffic for which CPN is passed. If the receiving	
		Agreement remains in effect		Party lacks the capability, on an automated basis, to	
ļ		after June 14, 2004, the Parties		use CPN information on an automated basis to	·
		agree that the rate of \$.0007 per		classify traffic delivered by the other Party by Traffic	
		minute of use for ISP-bound		Rate type, the originating Party will supply Traffic	
1		Traffic shall remain applicable		Factor 1 and Traffic Factor 2. The Traffic Factors	
1		for such period.		shall be supplied in writing by the originating Party	
j				within thirty (30) days of the Effective Date and shall	
}		(d) No charges shall apply		be updated in writing by the originating Party	
1		to the carriage (including		quarterly. Measurement of billing minutes for	
į		transport and termination) of		purposes of determining terminating compensation	
į		Voice Traffic and ISP-bound		shall be in conversation seconds. Measurement of	
]		Traffic by either Party for the		billing minutes for originating toll free service access	
)		other Party except as set forth		code (e.g., 800/888/877) calls shall be in accordance	
ì		above.		with applicable Tariffs. Determinations as to whether	
į				traffic is Reciprocal Compensation Traffic or	
1		2.2.3. The rates described in		Measured Internet Traffic shall be made in	
		Section 2.2.2. above shall apply		accordance with Section 0 below.	
(only if: (a) Verizon requests that		}	
į		ISP-bound Traffic be treated at		1.3 Each Party reserves the right to audit all	
		the rates specified in the ISP		Traffic, up to a maximum of two audits per calendar	
		Remand Order; (b) Verizon		year, to ensure that rates are being applied	
		offers to exchange all traffic		appropriately; provided, however, that either Party	
		subject to the reciprocal		shall have the right to conduct additional audit(s) if	
		compensation provisions of		the preceding audit disclosed material errors or	
		section 251(b)(5) with LECs,		discrepancies. Each Party agrees to provide the	
ł		CLECs, and CMRS providers at		necessary Traffic data in conjunction with any such	
1		these rates; and (c) Verizon has		audit in a timely manner.	
VEN WHE	DE DISTINICATION AND MONIO	PETITIONERS IS NECESSARY: WorldCo	om (hold): Cov (under		

Issue		Petitioners' Proposed Contract Po	etitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
		paid all past due amounts owed		audit in a timely manner.	
1		to AT&T for the delivery of ISP-			
		bound Traffic prior to June 14,		1.4 Nothing in this Agreement shall be construed to	
		2001. If Verizon does not		limit either Party's ability to designate the areas	
i		comply with these conditions,		within which that Party's Customers may make calls	
1		then the rate for the delivery of		which that Party rates as "local" in its Customer	
		ISP-bound Traffic shall be the		Tariffs.	
		rate for the delivery of Voice			
		Traffic.			
ļ				2. Reciprocal Compensation Arrangements	
		2.3. The ability of either Party		Pursuant to Section 251(b)(5) of the Act	
		to receive compensation for ISP-			
		bound Traffic shall be limited as		2.1 Reciprocal Compensation Traffic	
		follows based on "growth caps"		Interconnection Points. [NOTE: SECTION 2.1 TO	
		on compensation for ISP-bound		BE REVISED CONSISTENT WITH VERIZON'S	
1		Traffic consistent with the ISP		COMPROMISE VGRIP PROVISIONS	
		Remand Order. The Parties		CONTAINED IN THE PROPOSED AT&T	
}		shall first determine the total		INTERCONNECTION AGREEMENT THAT	
		number of minutes of use of ISP-		VERIZON ATTACHED TO THE ANSWER IT	
į		bound Traffic (as defined in		FILED WITH THE FCC.J	
		Section 2.1 above) terminated by			
		one Party for the other Party for		2.1.1 Except as otherwise agreed by the Parties, the	
ľ		the three-month period		Interconnection Points ("IPs") from which ***CLEC	
1		commencing January 1, 2001		Acronym TXT*** will provide transport and	
		and ending March 31, 2001.		termination of Reciprocal Compensation Traffic to its	
}		The Parties shall then multiply		Customers ("***CLEC Acronym TXT***-IPs") shall	
		this number of minutes by 4.4,		be as follows:	
ĺ		and the resulting product shall			
		be the terminating Party's		2.1.1.1 For each LATA in which ***CLEC	
		"2001 ISP-bound Annualized		Acronym TXT*** requests to interconnect with	
		Traffic Cap." The total number		Verizon, except as otherwise agreed by the Parties,	
		of minutes of use of ISP-bound		***CLEC Acronym TXT*** shall establish a	
		Traffic for which one Party may		***CLEC Acronym TXT*** IP in each Verizon Rate	
		receive compensation from the		Center Area where ***CLEC Acronym TXT***	
1		other Party during the period		chooses to assign telephone numbers to its Customers.	
		July 1, 2001 through December		***CLEC Acronym TXT*** shall establish such	

Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
		31, 2001 shall equal 50% of that		***CLEC Acronym TXT***-IP consistent with the	
1		Party's 2001 ISP-bound		methods of interconnection and interconnection	
}		Annualized Traffic Cap. The		trunking architectures that it will use pursuant to	
{		total number of minutes of use of		Section or Section of this Attachment.	
ļ		ISP-bound Traffic for which one			
		Party may receive compensation		2.1.1.2 At any time that ***CLEC Acronym	
į.		from the other Party during the		TXT*** establishes a Collocation site at a Verizon	
1		period January 1, 2002 through		End Office Wire Center in a LATA in which	
1		December 31, 2002 or for any		***CLEC Acronym TXT*** is interconnected or	
		calendar year thereafter shall		requesting interconnection with Verizon, either Party	
		equal 1.1 times that Party's		may request in writing that such ***CLEC Acronym	
Ì		2001 ISP-bound Annualized		TXT*** Collocation site be established as the	
1		Traffic Cap. Neither Party may		***CLEC Acronym TXT***-IP for traffic originated	
1		refuse to pay compensation for		by Verizon Customers served by that End Office.	
1		ISP-bound Traffic to the other		Upon such request, the Parties shall negotiate in good	
i		Party based on the application		faith mutually acceptable arrangements for the	
Į.		of the foregoing "growth caps"		transition to such ***CLEC Acronym TXT***-IP. If	
ľ		until the aggregate amount of		the Parties have not reached agreement on such	
i		ISP-bound Traffic billed by the		arrangements within thirty (30) days, (a) either Party	
		other Party for a specific		may pursue available dispute resolution mechanisms;	
1		calendar year exceeds the		and, (b) ***CLEC Acronym TXT*** shall bill and	
		applicable maximum number of		Verizon shall pay the lesser of the negotiated	
		minutes of use of ISP-bound		intercarrier compensation rate or the End Office	
[Traffic that may be compensated		Reciprocal Compensation rate for the relevant traffic	
ì		pursuant to this Section 2.3 for		less Verizon's transport rate, tandem switching rate	
l		the entire year (beginning in		(to the extent traffic is tandem switched), and other	
ŀ		calendar year 2002) or		costs (to the extent that Verizon purchases such	
		applicable portion thereof (for		transport from ***CLEC Acronym TXT*** or a third	
ļ		calendar year 2001).		party), from the originating Verizon End Office to the	
				receiving ***CLEC Acronym TXT***-IP.	
				2.1.1.3 In any LATA where the Parties are already	
İ		2.4. The Party's shall bill each		interconnected prior to the effective date of this	
		other for Voice Traffic and ISP-		Agreement, ***CLEC Acronym TXT*** may	
		bound Traffic each month on the		maintain existing CLEC-IPs, except that Verizon may	
ľ		following basis:		request in writing to transition such ***CLEC	

Issue	_	· · · · · · · · · · · · · · · · · · ·	titioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
				Acronym TXT***-IPs to the ***CLEC Acronym	
Ì		2.4.1. For the period		TXT***-IPs described in subsections 0 and 0, above.	
1		commencing on the effective		Upon such request, the Parties shall negotiate	
		date of this Agreement and		mutually satisfactory arrangements for the transition	
		continuing through September		to CLEC-IPs that conform to subsections 0 and 0	
1		30, 2001, each Party shall bill		above. If the Parties have not reached agreement on	
		the other Party for Voice Traffic		such arrangements within thirty (30) days, (a) either	
		and ISP-bound Traffic based on		Party may pursue available dispute resolution	
İ		the relative percentage of		mechanisms; and, (b) ***CLEC Acronym TXT***	
		minutes of use of total combined		shall bill and Verizon shall pay only the lesser of the	
		Voice Traffic and ISP-bound		negotiated intercarrier compensation rate or the End	
1		Traffic represented by each type		Office reciprocal compensation rate for relevant	
		of traffic during the two-month		traffic, less Verizon's transport rate, tandem switching	
		period ending on May 31, 2001.		rate (to the extent traffic is tandem switched), and	
1		For example, if Verizon		other costs (to the extent that Verizon purchases such	
		terminated 100 minutes for		transport from ***CLEC Acronym TXT*** or a third	
ł		AT&T during the two-month		party), from Verizon's originating End Office to the	
		period ending on May 31 and		***CLEC Acronym TXT*** IP.	
		AT&T terminated 500 minutes			
-		for Verizon during that period,		2.1.2 Except as otherwise agreed by the Parties, the	
1		the proportion of traffic		Interconnection Points ("IPs") from which Verizon	
		terminated by AT&T would be		will provide transport and termination of Reciprocal	
		60% Voice Traffic [(3 x 100) /		Compensation Traffic to its Customers ("Verizon-	
		500] and 40% ISP-bound Traffic		IPs") shall be as follows:	
1		$[(500 - (3 \times 100)) / 500]$, and for			
-		the period through September		2.1.2.1 For Reciprocal Compensation Traffic	
		30, 2001, AT&T would bill 60%		delivered by ***CLEC Acronym TXT*** to the	
		of its total minutes of use billed		Verizon Tandem subtended by the terminating End	
		for each month (or portion		Office serving the Verizon Customer, the Verizon-IP	
		thereof) at the rate applicable to		will be the Verizon Tandem switch.	
		Voice Traffic and 40% of its			
		total minutes of use at the rate		2.1.2.2 For Reciprocal Compensation Traffic	
		applicable to ISP-bound Traffic.		delivered by ***CLEC Acronym TXT*** to the	
		, · · · · · · · · · · · · · · · · · · ·		Verizon terminating End Office serving the Verizon	
		2.4.2. For each calendar		Customer, the Verizon-IP will be Verizon End Office	
		quarter commencing with the		switch.	

Issue		Petitioners' Proposed Contract Pet	titioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
		fourth quarter of 2001, each		switch.	
		Party shall bill the other Party		on the same of the	
		for Voice Traffic and ISP-bound		2.1.3 Should either Party offer additional IPs to any	
1		Traffic based on the relative		Telecommunications Carrier that is not a Party to this	
		percentage of minutes of use of		Agreement, the other Party may elect to deliver traffic	
1		total combined Voice Traffic and		to such IPs for the NXXs or functionalities served by	
		ISP-bound Traffic represented		those IPs. To the extent that any such ***CLEC	
		by each type of traffic during the		Acronym TXT***-IP is not located at a Collocation	
		first two months of the		site at a Verizon Tandem Wire Center or Verizon End	
i 1		immediately preceding calendar		Office Wire Center, then ***CLEC Acronym TXT***	
1		quarter. For example, if Verizon		shall permit Verizon to establish physical	
		terminated 100 minutes for		Interconnection through collocation or other	
		AT&T during the period July 1,		operationally comparable arrangements acceptable to	
		2001 through August 31, 2001,		Verizon at the ***CLEC Acronym TXT***-IP.	
)		and AT&T terminated 500			
		minutes for Verizon during that		2.1.4 Each Party is responsible for delivering its	
		period, the proportion of traffic		Reciprocal Compensation Traffic that is to be	
		terminated by AT&T would be		terminated by the other Party to the other Party's	
!		60% Voice Traffic [(3 x 100) /		relevant IP.	
1		500] and 40% ISP-bound Traffic			
1		$[(500 - (3 \times 100)) / 500]$, and for		2.2 Reciprocal Compensation.	
1		the period October 1, 2001			
1		through December 31, 2001,		The Parties shall compensate each other for the	
1		AT&T would bill 60% of its total		transport and termination of Reciprocal	
1		minutes of use billed for each		Compensation Traffic delivered to the terminating	
ł		month (or portion thereof) at the		Party in accordance with Section 251(b)(5) of the	
ł		rate applicable to Voice Traffic		Act at the rates stated in the [Pricing Attachment].	
1		and 40% of its total minutes of		These rates are to be applied at the ***CLEC	
)		use at the rate applicable to ISP-		Acronym TXT***-IP for traffic delivered by Verizon	
1		bound Traffic.		for termination by ***CLEC Acronym TXT***, and	
ţ		\ \ \		at the Verizon-IP for traffic delivered by ***CLEC	
l		2.4.3. Verizon will calculate the		Acronym TXT*** for termination by Verizon.	
ł		factors to be used for the relative		Except as expressly specified in this Agreement, no	
}		percentage of minutes of use of		additional charges shall apply for the termination	
}		total combined Voice Traffic and		from the IP to the Customer of Reciprocal	
		ISP-bound Traffic represented		Compensation Traffic delivered to the Verizon-IP by	

Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
ļ				the CLEO A TWENTY A THE CLEO	
1 1		by each type of traffic during		***CLEC Acronym TXT*** or the ***CLEC	
1		periods referred to in Sections		Acronym TXT***-IP by Verizon. When such	
1		2.4.1 and 2.4.2 above, and		Reciprocal Compensation Traffic is delivered over	
1 1		Verizon will notify AT&T of such		the same trunks as Toll Traffic, any port or transport	
		factors in writing by no later		or other applicable access charges related to the	
1		than the first day of the period		delivery of Toll Traffic from the IP to an end user	
1 1		during which such factors will		shall be prorated to be applied only to the Toll	
1 1		be used. Such factors will		Traffic. The designation of traffic as Reciprocal	
1		govern all billing during the		Compensation Traffic for purposes of Reciprocal	
1		applicable period, and the		Compensation shall be based on the actual	
1 1		Parties will not true up any		originating and terminating points of the complete	
1 1		billing for prior periods based		end-to-end communication.	
		on actual balance of traffic			
1		during such period. However,		2.3 Traffic Not Subject to Reciprocal	
1		AT&T may audit Verizon's		Compensation.	
1		factors as provided in Section			
1		2.5 below, and the Parties will		2.3.1 Reciprocal Compensation shall not apply to	
}		true up billing for any period to		interstate or intrastate Exchange Access, Information	
1		the extent the factors applicable		Access, or exchange services for Exchange Access or	
		to such period were incorrectly		Information Access.	
		calculated.			
1		2.4.4. If a Party is terminating		2.3.2 Reciprocal Compensation shall not apply to	
1 1		both Voice Traffic and ISP-		Internet Traffic.	
		bound Traffic for the other			
1		Party, that Party may bill all		2.3.2.1 The determination of whether traffic is	
1 1		such traffic at a blended rate		Reciprocal Compensation Traffic or Internet Traffic	
		based on the weighted average		shall be performed in accordance with Paragraphs 8	
1 1		of the rates applicable to Voice		and 79, and other applicable provisions, of the FCC	
1		Traffic and the rates applicable		Internet Order (including, but not limited to, in	
		to ISP-bound Traffic, using the		accordance with the rebuttable presumption	
		factors specified in Section 2.4.3		established by the FCC Internet Order that traffic	
}		above. In the event that AT&T is		delivered to a carrier that exceeds a 3:1 ratio of	
1		delivering both Voice Traffic		terminating to originating traffic is Internet Traffic,	
		and ISP-bound Traffic to		and in accordance with the process established by the	
1		Verizon, and Verizon does not		FCC Internet Order for rebutting such presumption	
		provide factors to AT&T,		before the Commission).	

No.	Statement of Issue	Petitioners' Proposed Contract Language including minute counts used to determine what portion of AT&T's traffic constitutes "Voice Traffic" and what traffic constitutes "ISP-bound Traffic," by the first day of the period during which such factors will be used, AT&T shall bill Verizon for all traffic during such period at the rate applicable to Voice Traffic.	Verizon's Proposed Contract Language before the Commission). 2.3.3 Reciprocal Compensation shall not apply to Toll Traffic, including, but not limited to, calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXXX) basis. 2.3.4 Reciprocal Compensation shall not apply to Optional Extended Local Calling Area Traffic.	Verizon Rationale
		determine what portion of AT&T's traffic constitutes "Voice Traffic" and what traffic constitutes "ISP-bound Traffic," by the first day of the period during which such factors will be used, AT&T shall bill Verizon for all traffic during such period at the rate applicable to Voice	2.3.3 Reciprocal Compensation shall not apply to Toll Traffic, including, but not limited to, calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXXX) basis. 2.3.4 Reciprocal Compensation shall not apply to	
		determine what portion of AT&T's traffic constitutes "Voice Traffic" and what traffic constitutes "ISP-bound Traffic," by the first day of the period during which such factors will be used, AT&T shall bill Verizon for all traffic during such period at the rate applicable to Voice	2.3.3 Reciprocal Compensation shall not apply to Toll Traffic, including, but not limited to, calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXXX) basis. 2.3.4 Reciprocal Compensation shall not apply to	
		AT&T's traffic constitutes "Voice Traffic" and what traffic constitutes "ISP-bound Traffic," by the first day of the period during which such factors will be used, AT&T shall bill Verizon for all traffic during such period at the rate applicable to Voice	Toll Traffic, including, but not limited to, calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXXX) basis. 2.3.4 Reciprocal Compensation shall not apply to	
		"Voice Traffic" and what traffic constitutes "ISP-bound Traffic," by the first day of the period during which such factors will be used, AT&T shall bill Verizon for all traffic during such period at the rate applicable to Voice	Toll Traffic, including, but not limited to, calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXXX) basis. 2.3.4 Reciprocal Compensation shall not apply to	
		constitutes "ISP-bound Traffic," by the first day of the period during which such factors will be used, AT&T shall bill Verizon for all traffic during such period at the rate applicable to Voice	originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXXX) basis. 2.3.4 Reciprocal Compensation shall not apply to	
		by the first day of the period during which such factors will be used, AT&T shall bill Verizon for all traffic during such period at the rate applicable to Voice	casual dialed (10XXX/101XXXX) basis. 2.3.4 Reciprocal Compensation shall not apply to	
		during which such factors will be used, AT&T shall bill Verizon for all traffic during such period at the rate applicable to Voice	2.3.4 Reciprocal Compensation shall not apply to	
		be used, AT&T shall bill Verizon for all traffic during such period at the rate applicable to Voice		
		for all traffic during such period at the rate applicable to Voice		
		at the rate applicable to Voice	Optional Extended Local Calling Area Traffic.	
		1		
İ		Traffic		
		1	2.3.5 Reciprocal Compensation shall not apply to	
-		1	special access, private line, or any other traffic that is	
1		2.4.5. AT&T shall have the right	not switched by the terminating Party.	
ŀ		to audit factors provided by		
j		Verizon pursuant to Section	2.3.6 Reciprocal Compensation shall not apply to	
}		2.4.3 above and Verizon bills	Tandem Transit Traffic.	
1		relating to settlements pursuant		
		to this Section, as specified in	2.3.7 Reciprocal Compensation shall not apply to	
		Section 28.10 (Audits), including	Voice Information Service Traffic (as defined in	
		the right to audit the number of	Section [?]).	
İ		minutes of use terminated by		
ł		Verizon for AT&T during any	2.4 The Reciprocal Compensation charges	
		period to the extent such	(including, but not limited to, the Reciprocal	
		information may affect the	Compensation per minute of use charges) billed by	
		volume of traffic that is	***CLEC Acronym TXT*** to Verizon shall not	
		considered to be Voice Traffic or	exceed the Reciprocal Compensation charges	
		ISP-bound Traffic under this	(including, but not limited to, Reciprocal	
1		Agreement. Each Party shall	Compensation per minute of use charges) billed by	
		bear its own expenses associated	Verizon to ***CLEC Acronym TXT***.	
{		with such audits (provided,		
1		however, that AT&T may seek	3. Other Types of Traffic	
		reimbursement from Verizon in		
1		the event that an audit finds that	3.1 Notwithstanding any other provision of this	
1		an adjustment should be made in	Agreement or any Tariff: (a) the Parties' rights and	
		the charges that AT&T is	obligations with respect to any intercarrier	
		entitled to collect from Verizon	compensation that may be due in connection with	

No.		Petitioners' Proposed Contract Pet	itioners' Rationale		
	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
		for reciprocal compensation by		their exchange of Internet Traffic shall be governed	
		an amount that is greater than		by the terms of the FCC Internet Order and other	
Ì		two percent (2%) of the		applicable FCC orders and FCC Regulations; and,	
1		aggregate charges for reciprocal		(b) a Party shall not be obligated to pay any	
		compensation that had been		intercarrier compensation for Internet Traffic that is	
1		billed in the audited period).		in excess of the intercarrier compensation for Internet	
1				Traffic that such Party is required to pay under the	
l		2.5. The Parties have entered		FCC Internet Order and other applicable FCC orders	
1		into this Agreement providing		and FCC Regulations.	
!		for differential compensation of			
		Voice Traffic and ISP-bound		3.2 Subject to Section 0 above, interstate and	•
l		Traffic based on the ISP Remand		intrastate Exchange Access, Information Access,	
j		Order, which is on appeal to the		exchange services for Exchange Access or	
		United States Circuit Court of		Information Access, and Toll Traffic, shall be	
		Appeals for the District of		governed by the applicable provisions of this	
		Columbia Circuit. Without		Agreement and applicable Tariffs.	
		waiving any of their rights to			
		assert and pursue their positions		3.3 For any traffic originating with a third party	
Ì		on issues related to		carrier and delivered by ***CLEC Acronym TXT***	
į.		compensation for Voice Traffic		to Verizon, ***CLEC Acronym TXT*** shall pay	
		and ISP-bound Traffic, each		Verizon the same amount that such third party carrier	
1		Party agrees that until the ISP		would have been obligated to pay Verizon for	
		Remand Order is stayed or		termination of that traffic at the location the traffic is	
		reversed or modified on appeal,		delivered to Verizon by ***CLEC Acronym TXT***.	
j		the Parties shall exchange and			
1		compensate each other for Voice		3.4 Any traffic not specifically addressed in this	
İ		Traffic and ISP-bound Traffic on		Agreement shall be treated as required by the	
1		the terms and conditions		applicable Tariff of the Party transporting and/or	
		provided herein. At such time as		terminating the traffic.	
		the ISP Remand Order is stayed,			
1		reversed or modified, then (1)		3.5 Interconnection Points.	
1		ISP-bound traffic shall be			
l		deemed Local Traffic retroactive		3.5.1 The IP of a Party ("Receiving Party") for	
l		to the effective date of this		Measured Internet Traffic delivered to the Receiving	
ł		Agreement; (2) any		Party by the other Party shall be the same as the IP of	
l		compensation that would have		the Receiving Party for Reciprocal Compensation	

No. Statement of Issue Language Verizon's Proposed Contract Language Verizon Rationale	Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
since its effective date for the exchange of ISP-bound traffic shall immediately be due and payable; and (3) the Parties shall immediately be gin the exchange of ISP-bound traffic that was subject to the ISP Remand Order on the same terms, conditions, and rates as they exchange section 251(b)(5) traffic. 3.5.2 Except as otherwise set forth in the applicable Tariff of a Party ("Receiving Party") that receives Toll Traffic from the other Party, the IP of the Receiving Party for Toll Traffic flettered to the Receiving Party for Toll Traffic flettered to the Receiving Party for Toll Traffic flettered to the Receiving Party for Toll Traffic for Receiving as the IP of the Receiving Party or Receiprocal Compensation Traffic under Section 0 above. Sometimental Traffic under Section 0 above. The Parties that is not Receiving Party and the Parties that is not Receiving Party for Toll Traffic, Macusted Internet Traffic or Toll Traffic, Macusted Internet Traffic or Toll Traffic, and Internet Party, or in the absence of applicable provisions of this Agreement or the applicable Tariff of the receiving Party, or in the absence of applicable provisions in this Agreement or a Tariff of the receiving Party, as mutually agreed by the Parties. 3.6 Extended Local Calling Scope Arrangement. An arrangement that provides a Customer a local calling scope (Extended Area Service, "EAS"), outside of the Customer's basic exchange serving area. Extended Local Calling Scope Arrangements may be either optional or non-optional. "Optional Extended Local Calling Scope Arrangement Traffic" is traffic that under an optional Extended Local Calling Scope Arrangement thosen by the Customer terminates outside of the Customer's basic exchange	No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
3.6 Extended Local Calling Scope Arrangement. An arrangement that provides a Customer a local calling scope (Extended Area Service, "EAS"), outside of the Customer's basic exchange serving area. Extended Local Calling Scope Arrangements may be either optional or non-optional Extended Local Calling Scope Arrangement Traffic" is traffic that under an optional Extended Local Calling Scope Arrangement Cocal Calling Scope Arrangement Cocal Calling Scope Arrangement Cocal Calling Scope Arrangement chosen by the Customer terminates outside of the Customer's basic exchange			since its effective date for the exchange of ISP-bound traffic shall immediately be due and payable; and (3) the Parties shall immediately begin the exchange of ISP-bound traffic that was subject to the ISP Remand Order on the same terms, conditions, and rates as they exchange section 251(b)(5)		3.5.2 Except as otherwise set forth in the applicable Tariff of a Party ("Receiving Party") that receives Toll Traffic from the other Party, the IP of the Receiving Party for Toll Traffic delivered to the Receiving Party by the other Party shall be the same as the IP of the Receiving Party for Reciprocal Compensation Traffic under Section 0 above. 3.5.3 The IP for traffic exchanged between the Parties that is not Reciprocal Compensation Traffic, Measured Internet Traffic or Toll Traffic, shall be as specified in the applicable provisions of this Agreement or the applicable Tariff of the receiving Party, or in the absence of applicable provisions in this Agreement or a Tariff of the receiving Party, as	
3.7 FCC Internet Order.					3.6 Extended Local Calling Scope Arrangement. An arrangement that provides a Customer a local calling scope (Extended Area Service, "EAS"), outside of the Customer's basic exchange serving area. Extended Local Calling Scope Arrangements may be either optional or non-optional. "Optional Extended Local Calling Scope Arrangement Traffic" is traffic that under an optional Extended Local Calling Scope Arrangement chosen by the Customer terminates outside of the Customer's basic exchange serving area.	

Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
				N. C. C. C. C. C. C. C. C. C. C. C. C. C.	
1				Matter of Implementation of the Local Competition	
1				Provisions in the Telecommunications Act of 1996,	
1				Intercarrier Compensation for ISP Bound Traffic,	
				FCC 01-131, CC Docket Nos. 96-98 and 99-68,	
				adopted April 18, 2001.	
				3.8 FCC Regulations.	
j j					
1				The unstayed, effective regulations promulgated by	
				the FCC, as amended from time to time.	
				3.9 Internet Traffic.	
j					
}		1		Any traffic that is transmitted to or returned from the	
				Internet at any point during the duration of the	
		1		transmission.	
				3.10 IP (Interconnection Point).	
				5.10 If (Interconnection Foint).	
				For Reciprocal Compensation Traffic, the point at	
1				which a Party who receives Reciprocal	
)				Compensation Traffic from the other Party assesses	
)				Reciprocal Compensation charges for the further	
1				transport and termination of that Reciprocal	
				Compensation Traffic.	
				2 II M II W TO TO	
				3.11 Measured Internet Traffic.	
1				Dial-up, switched Internet Traffic originated by a	
				Customer of one Party on that Party's network at a	
1				point in a Verizon local calling area, and delivered to	
				a Customer or an Internet Service Provider served by	
				the other Party, on that other Party's network at a	
1				point in the same Verizon local calling area. Verizon	
		1		local calling areas shall be as defined in Verizon's	
1				applicable tariffs. For the purposes of this	

Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
				definition, a Verizon local calling area includes a Verizon non-optional Extended Local Calling Scope Arrangement, but does not include a Verizon optional Extended Local Calling Scope Arrangement. Calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXXX) basis, are not considered Measured Internet Traffic.	
				3.12 Reciprocal Compensation.	
				The arrangement for recovering, in accordance with Section 251(b)(5) of the Act, the FCC Internet Order, and other applicable FCC orders and FCC Regulations, costs incurred for the transport and termination of Reciprocal Compensation Traffic originating on one Party's network and terminating on the other Party's network (as set forth in Section [?]).	
				3.13 Reciprocal Compensation Traffic.	
				Telecommunications traffic originated by a Customer of one Party on that Party's network and terminated to a Customer of the other Party on that other Party's network, except for Telecommunications traffic that is interstate or intrastate Exchange Access, Information Access, or exchange services for Exchange Access or Information Access. The determination of whether Telecommunications traffic is Exchange Access or Information Access shall be based upon Verizon's local calling areas as defined in Verizon's applicable tariffs. Reciprocal Compensation Traffic does not	
				include: (1) any Internet Traffic; (2) traffic that does not originate and terminate within the same	

Issue No.	Statement of Issue	Petitioners' Proposed Contract Language	Petitioners' Rationale	Verizon's Proposed Contract Language	Verizon Rationale
				Verizon local calling area as defined in Verizon's applicable tariffs; (3) Toll Traffic, including, but not limited to, calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXXX) basis; (4) Optional Extended Local Calling Arrangement Traffic; (5) special access, private line, Frame Relay, ATM, or any other traffic that is not switched by the terminating Party; (6) Tandem Transit Traffic; or, (7) Voice Information Service Traffic (as defined in Section 5 of the Additional Services Attachment). For the purposes of this definition, a Verizon local calling area includes a Verizon non-optional Extended Local Calling Scope Arrangement, but does not include a Verizon optional Extended Local Calling Scope Arrangement.	
				3.14 Toll Traffic.	
				Traffic that is originated by a Customer of one Party on that Party's network and terminates to a Customer of the other Party on that other Party's network and is not Reciprocal Compensation Traffic, Measured Internet Traffic, or Ancillary Traffic. Toll Traffic may be either "IntraLATA Toll Traffic" or "InterLATA Toll Traffic", depending on whether the originating and terminating points are within the same LATA.	
				3.15 Traffic Factor 1.	
		DETITIONERS IS NECESSARY: W		For traffic exchange via Interconnection Trunks, a percentage calculated by dividing the number of minutes of interstate traffic (excluding Measured Internet Traffic) by the total number of minutes of interstate and intrastate traffic. ([Interstate Traffic	

Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
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				Total Minutes of Use {excluding Measured Internet Traffic Total Minutes of Use} + {Interstate Traffic Total Minutes of Use} + {Interstate Traffic Total Minutes of Use} + Intrastate Traffic Total Minutes of Use}] x 100). Until the form of a Party's bills is updated to use the term "Traffic Factor 1," the term "Traffic Factor 1" may be referred to on the Party's bills and in billing related communications as "Percent Interstate Usage" or "PIU." 3.16 Traffic Factor 2. For traffic exchanged via Interconnection Trunks, a percentage calculated by dividing the combined total number of minutes of Reciprocal Compensation Traffic and Measured Internet Traffic by the total number of minutes of intrastate traffic. ([{Reciprocal Compensation Traffic Total Minutes of Use} + Measured Internet Traffic Total Minutes of Use} + Intrastate Traffic Total Minutes of Use] x 100). Until the form of a Party's bills is updated to use the term "Traffic Factor 2," the term "Traffic Factor 2" may be referred to on the Party's bills and in billing related communications as "Percent Local Usage" or	VOIZON RANOMAR
I-5-a	(a) What provisions should	1.5.a	The Agreement must	"PLU." 5.7.4 The determination of whether traffic is	With regard to AT&T's currently proposed
	the parties make for changes	(c) Upon the occurrence of any	include specific provisions	Reciprocal Compensation Traffic or Internet Traffic	Issues I-5-a, Verizon agrees that this issue
	in the requirements of the	one of the following conditions:	regarding the parties' rights	shall be performed in accordance with Paragraphs 8	ultimately is appropriate for arbitration
	ISP Order through appeal,	(1) the ISP Order is not allowed	in the event the ISP Order is	and 79, and other applicable provisions, of the FCC	should the Parties fail to resolve it in the
	reconsideration or other legal	to go into effect or is stayed after	stayed, reversed or	Internet Order (including, but not limited to, in	context of mediation.
	or regulatory action?	its effective date; (2) the ISP	otherwise affected by	accordance with the rebuttable presumption established	
	-	Order is revised or reversed by a	legislative, regulatory or	by the FCC Internet Order that traffic delivered to a	
	How should Verizon and	court of competent jurisdiction;	legal action.	carrier that exceeds a 3:1 ratio of terminating to	
	AT&T calculate whether	or (3) the ISP Order is affected		originating traffic is Internet Traffic, and in accordance	
	traffic exceeds a 3:1 ratio of	by any legislative or other legal		with the process established by the FCC Internet Order	

Issue No.	Statement of Issue	Petitioners' Proposed Contract Language	Petitioners' Rationale	Verizon's Proposed Contract Language	Verizon Rationale
	terminating to originating traffic?	action; the Parties reserve all of their rights and remedies, including those to amend, alter,	See AT&T rationale for 1-5.	for rebutting such presumption before the Commission).	
		or revise this Agreement. See AT&T contract language for 1-5.		2.3 Traffic Not Subject to Reciprocal Compensation.	
				2.3.1 Reciprocal Compensation shall not apply to interstate or intrastate Exchange Access, Information Access, or exchange services for Exchange Access or Information Access.	
				2.3.2 Reciprocal Compensation shall not apply to Internet Traffic.	
				2.3.2.1 The determination of whether traffic is Reciprocal Compensation Traffic or Internet Traffic shall be performed in accordance with Paragraphs 8 and 79, and other applicable provisions, of the FCC Internet Order (including, but not limited to, in accordance with the rebuttable presumption established by the FCC Internet Order that traffic delivered to a carrier that exceeds a 3:1 ratio of terminating to originating traffic is Internet Traffic, and in accordance with the process established by the FCC Internet Order for rebutting such presumption before the Commission).	
I-5-b	(b) Should the specific rates of compensation for ISP-bound traffic paid by the parties during the term of the renewal agreement be zero, a rate equal to the cap or a rate somewhere in between zero	5.7.7.2 Rates (a) For the Term of this Agreement, Reciprocal Compensation rates shown in Exhibit 1 will apply to the exchange of all 251(b)5 traffic.	Specific terms and conditions regarding the compensation rates applicable to Internet Traffic must not be excluded from the Agreement.	5.6 Measurement and Billing 5.6.1 For billing purposes, each Party shall pass Calling Party Number ("CPN") information on at least ninety-five percent (95%) of calls carried over the Traffic Exchange Trunks.	With regard to AT&T's currently proposed Issues I-5-b, Verizon agrees that this issue ultimately is appropriate for arbitration should the Parties fail to resolve it in the context of mediation.
	and the cap. Also, should there be a single rate or two	(b) For the period beginning on		5.6.1.1 If the originating Party passes CPN on ninety- five percent (95%) or more of its calls, the receiving	

Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
Ì	there be a single rate or two	June 14, 2001 and ending on	 The Agreement must 	five percent (95%) or more of its calls, the receiving	
1	separate rates for tandem and	December 13, 2001, the	contain the specific rates	Party shall bill the originating Party the Reciprocal	
}	end office terminations?	terminating Party will bill the	applicable to compensation	Compensation Traffic call completion rate, Measured	
1		originating Party a rate of	for ISP-bound traffic (and	Internet Traffic rate, Intrastate Exchange Access rates,	
	How should Verizon and	\$.0015 per minute of use (MOU)	their timeframes).	intrastate/interstate Tandem Transit Traffic rates, or	
}	AT&T implement the rate	for Internet Traffic delivered to		interstate Exchange Access rates applicable to each	
1	caps for the ISP-bound	the terminating Party's Tandem	See AT&T rationale for I-5.	minute of traffic, as provided in Exhibit A, the FCC	
1	traffic?	and/or End Office.		Internet Order and applicable Tariffs, for which CPN	
				is passed. For any remaining (up to 5%) calls without	
		(c) To the extent that this		CPN information, the receiving Party shall bill the	
		Agreement remains in effect,		originating Party for such traffic as Reciprocal	
		beginning on December 14,	I	Compensation Traffic call completion rate, Measured	
İ		2001, and ending on June 13,		Internet Traffic rate, intrastate Exchange Access rates,	
Ì		2003, the terminating Party will		intrastate/interstate Tandem or Tandem Transit	
1		bill the originating Party a rate	'	Traffic rates, or interstate Exchange Access rates	
1		of \$.0010 per MOU for Internet		applicable to each minute of traffic, as provided in	
		Traffic delivered to the		Exhibit A, the FCC Internet Order and applicable	
1	*	terminating Party's Tandem		Tariffs, in direct proportion to the minutes of use of	
}		and/or End Office.		calls passed with CPN information.	
•		1		,	
		(d) To the extent that this		5.6.1.2 If the originating Party passes CPN on less	
Į		Agreement remains in effect,		than ninety-five percent (95%) of its calls and the	
		beginning on June 14, 2003, and		originating Party chooses to combine Reciprocal	
1	'	ending on June 13, 2004, the		Compensation and Toll Traffic on the same trunk	
}		terminating Party will bill the		group, the terminating Party shall bill its interstate	
1		originating Party a rate of		Switched Exchange Access Service rates for all traffic	
		\$.0007 per MOU for Internet		passed without CPN unless the Parties agree that such	
1		Traffic delivered to the		other rates should apply to such traffic.	
1		terminating Party's Tandem			
		and/or End Office.		5.6.2 Either Party may classify traffic as either	
				Reciprocal Compensation Traffic/Measured Internet	
		(e) The ISP Order specifies that,		Traffic or Toll Traffic for billing purposes by using	
		in the event the FCC does not		Traffic Factor 1 and Traffic Factor 2, in lieu of CPN	
		take further action within the		information. The Traffic Factor 1 and Traffic Factor 2	
		final period during which the		applicable upon the Effective Date are specified in	
		\$.0007 per MOU rate cap will be		Schedule 5.6. Such Traffic Factors may be updated by	
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Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
		applicable to Internet Traffic,		the originating Party quarterly by written notification.	
1		that period will be extended until		The determination of whether traffic is Reciprocal	
!!		the FCC takes such further		Compensation Traffic or Measured Internet Traffic	
l i		action. The Parties agree that		shall be in accordance with Section 5.7.5, below.	
1 1		the \$.0007 per MOU rate for			
1 1		tandem-routed and/or End		5.6.3 Measurement of billing minutes for purposes of	
1 1		Office-routed traffic will		determining terminating compensation shall be in	
1		continue in effect for Internet		conversation seconds. The total conversation seconds	
1		Traffic beyond June 13, 2004, if		over each individual Traffic Exchange trunk group will	
1		the FCC fails to take such		be totaled for the entire monthly billing cycle and then	
		further action by that date, to the		rounded to the next whole minute. Measurement of	
1 1		extent this Agreement remains in		billing minutes for (unqueried) originating toll free	
i i		effect during such period.		service access code (e.g., 800/888/877/866) calls shall	
i j				be in accordance with applicable Tariffs.	
1 1		Add footnotes to Exhibit A, A(I)			
1 1		and B(I): "See Section 5.7.7			
1 1		regarding compensation for		Reciprocal Compensation Traffic Termination Rates	
1		Internet Traffic."		A. Charges by Verizon	
1				(a) Traffic delivered to or Verizon Access	
1		See AT&T contract language for		<u>Tandem: \$.001590 per MOU.</u>	
		<i>I-5.</i>		(b) Traffic delivered directly to terminating Verizon	
1 1				End Office: \$.000927 per MOU.	
1					
]				D Clarent la Ca	
] [B. Charges by Cox	
] [
1 1				Single-tiered interconnection structure:	
1				Cox's rates for the termination of Verizon's Reciprocal	
				Compensation Traffic under the single-tiered	
				interconnection structure shall be recalculated once	
1 1				each year on each anniversary of the Effective Date	
				(the "Rate Determination Date"). The methodology	
				for recalculating the rates is as follows:	
				Access Tandem Minutes = Total minutes of use of	
				Reciprocal Compensation Traffic delivered by Cox to	
KEY WILE	DE EVENT	PETITIONERS IS NECESSARY: We	110000000000000000000000000000000000000		

Issue No.	Statement of Issue	Petitioners' Proposed Contract Language	Petitioners' Rationale	Verizon's Proposed Contract Language	Verizon Rationale
				the Verizon Access Tandem for most recent billed quarter.	
				End Office Minutes = Total minutes of use Reciprocal Compensation Traffic delivered by Cox directly to the terminating Verizon End Office for most recent billed quarter.	
				Total Minutes = Total minutes of use of Reciprocal Compensation Traffic delivered by Cox to Verizon for most recent billed quarter. Cox Charge at the Cox-IP = (Access Tandem Minutes x	
				\$.001590) + (End Office Minutes x \$.000927) Total Minutes For the first year after the Effective Date, the Cox charge shall be calculated based on the traffic data of	
				the quarter immediately preceding such Effective Date, or if no such traffic exists, on the proportion of local call termination trunks to Verizon End Offices and to Verizon Access Tandems.	
				2. Multiple-tiered interconnection structure (if offered by Cox to any carrier)	
				(a) Reciprocal Compensation Traffic delivered to Cox Access Tandem: \$.001590/ MOU (b) Reciprocal Compensation Traffic delivered to terminating Cox End Office/node: \$.000927/ MOU	
				C. Miscellaneous Notes	
				1. The Cox termination rate under the single-	

Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
				tiered interconnection structure set forth above is intended to be a Reciprocal Compensation Traffic termination rate for Interconnection to the Cox-IP within each LATA that is reciprocal and equal to the actual rates that will be charged by Verizon to Cox under the two-tiered Reciprocal Compensation Traffic termination rate structure described above that will apply after the first anniversary of the Effective Date. The single Cox termination rate is also intended to provide financial incentives to Cox to deliver traffic directly to Verizon's terminating End Offices once Cox's traffic volumes reach an appropriate threshold.	
I-5-c	(c) What mechanism should be used by the parties in calculating the amount of traffic in excess of the 3:1 ratio; what data should be exchanged by the parties for use in making this calculation; what time periods should these data cover; and when should any such data exchange take place? How should Verizon and AT&T calculate the growth cap on the total number of compensable ISP-bound traffic minutes?	5.7.7.3 Ratio (a) The FCC has adopted a rebuttable presumption that traffic delivered to a carrier that exceeds a 3:1 ratio of terminating to originating traffic is Internet Traffic. Therefore, the combined Internet Traffic and section 251(b)(5) traffic shall be separated by applying a ratio factor of 3:1 until such time as either Party successfully rebuts this presumption in a proceeding conducted by a regulatory authority or court of competent jurisdiction. In the event that such a proceeding is instituted, the Parties may exercise their	• The Agreement must ultimately contain the specific mechanism used by the parties for calculating the 3:1 ratio to identify ISP-bound traffic, including the types of data exchanged and the timeframes for such exchange. To the extent the specific mechanisms and timeframes are not yet developed by the parties, principles to guide their development must be included in the Agreement. See AT&T rationale for 1.5.	5.6.1 For billing purposes, each Party shall pass Calling Party Number ("CPN") information on at least ninety-five percent (95%) of calls carried over the Traffic Exchange Trunks. 5.6.1.1 If the originating Party passes CPN on ninety-five percent (95%) or more of its calls, the receiving Party shall bill the originating Party the Reciprocal Compensation Traffic call completion rate, Measured Internet Traffic rate, Intrastate Exchange Access rates, intrastate/interstate Tandem Transit Traffic rates, or interstate Exchange Access rates applicable to each minute of traffic, as provided in Exhibit A, the FCC Internet Order and applicable Tariffs, for which CPN is passed. For any remaining (up to 5%) calls without CPN information, the receiving Party shall bill the originating Party for such traffic as Reciprocal Compensation Traffic call completion rate, Measured	With regard to AT&T's currently proposed Issues I-5-c, Verizon agrees that this issue ultimately is appropriate for arbitration should the Parties fail to resolve it in the context of mediation.

Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
1 1		discovery rights pursuant to the		Compensation Traffic call completion rate, Measured	
1 1		Commission's procedures. All		Internet Traffic rate, intrastate Exchange Access rates,	
}		such traffic exchanged between		intrastate/interstate Tandem or Tandem Transit	
1 1		the Parties up to a 3:1 ratio of		Traffic rates, or interstate Exchange Access rates	
		terminating to originating traffic		applicable to each minute of traffic, as provided in	
j }		shall be deemed to be section		Exhibit A, the FCC Internet Order and applicable	
		251(b)(5) traffic subject to the		Tariffs, in direct proportion to the minutes of use of	
1		Reciprocal Compensation rates		calls passed with CPN information.	
1		shown in Exhibit 1. Except as			
		may be modified by subsection		5.6.1.2 If the originating Party passes CPN on less	
		5.7.7.4 below, the remainder of		than ninety-five percent (95%) of its calls and the	
1		such traffic, i.e., all minutes		originating Party chooses to combine Reciprocal	
		exceeding the 3:1 ratio of		Compensation and Toll Traffic on the same trunk	
		terminating to originating traffic,		group, the terminating Party shall bill its interstate	
		shall be deemed to be Internet		Switched Exchange Access Service rates for all traffic	
		Traffic subject to the rates		passed without CPN unless the Parties agree that such	
		established in subsection 5.7.7.2		other rates should apply to such traffic.	
		above. In the event that a			
		regulatory authority or court of		5.6.2 Either Party may classify traffic as either	
1		competent jurisdiction enters a		Reciprocal Compensation Traffic/Measured Internet	
1		final order establishing a		Traffic or Toll Traffic for billing purposes by using	
1		different ratio factor for the		Traffic Factor 1 and Traffic Factor 2, in lieu of CPN	
1		separation of Internet Traffic and		information. The Traffic Factor 1 and Traffic Factor 2	
		section 251(b)(5) traffic that is		applicable upon the Effective Date are specified in	
}		applicable to this Agreement, the		Schedule 5.6. Such Traffic Factors may be updated by	
į		Parties agree that such different		the originating Party quarterly by written notification.	
1		ratio factor shall be substituted		The determination of whether traffic is Reciprocal	
j		for the 3:1 ratio factor for		Compensation Traffic or Measured Internet Traffic	
		purposes of implementing this		shall be in accordance with Section 5.7.5, below.	
ĺ		section. Unless such final order			
ĺ		specifies a different effective		5.6.3 Measurement of billing minutes for purposes of	
l		date for the different ratio factor,		determining terminating compensation shall be in	
1		such substitution should become		conversation seconds. The total conversation seconds	
		effective on the effective date of		over each individual Traffic Exchange trunk group will	
		such final order.		be totaled for the entire monthly billing cycle and then	
				rounded to the next whole minute. Measurement of	
KEY WHEE	DE DICTINICATION AMONG	PETITIONERS IS NECESSARY: Wo	ald Come (bold). Come double		

Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
		(b) In order that the Parties may		billing minutes for (unqueried) originating toll free	
		calculate the balance of Local and		service access code (e.g., 800/888/877/866) calls shall	
		Internet Traffic exchanged, the		be in accordance with applicable Tariffs.	
		Parties agree to establish and			
		implement a separate process			
1 1		("Internet Ratio Calculation &		Reciprocal Compensation Traffic Termination Rates	
		Billing Process"), which shall be		A. Charges by Verizon	
		incorporated into this Agreement		(a) Traffic delivered to or Verizon Access	
1		by amendment no later than 90		Tandem: \$.001590 per MOU.	
		days following the Effective Date		(b) Traffic delivered directly to terminating Verizon	
)		of this Agreement. The Parties		End Office: \$.000927 per MOU.	
		agree that the following		Elia Office. \$.000/27 per 19100.	
1 1		principles will govern the Internet			
1		Ratio Calculation & Billing		B. Charges by Cox	
1 1		Process: (i) Verizon and Cox			
)		shall, at an agreed-to interval		Single-tiered interconnection structure:	
}		following the end of the Parties'		Cox's rates for the termination of Verizon's Reciprocal	
1 1		billing cycle(s), exchange billing		Compensation Traffic under the single-tiered	
1 1		summaries that include the total		interconnection structure shall be recalculated once	
]]		minutes of combined Local and		each year on each anniversary of the Effective Date	
] 1		Internet Traffic received from		(the "Rate Determination Date"). The methodology	
}		the other Party and accumulated		for recalculating the rates is as follows:	
((during an agreed-to period of			
1 1		time; (ii) the billing summary		Access Tandem Minutes = Total minutes of use of	
		shall include the cumulative		Reciprocal Compensation Traffic delivered by Cox to	
i 1		minutes of use associated with		the Verizon Access Tandem for most recent billed	
		every call in which the calling		quarter.	
		and called party's NPA-NXX (or			
		LNP-equivalent identifier) are		End Office Minutes = Total minutes of use Reciprocal	
		located within the local calling		Compensation Traffic delivered by Cox directly to the	
		area and any mandatory		terminating Verizon End Office for most recent billed	
		expanded area service, as defined		quarter.	
		by Verizon's tariffs; (iii)			
		following each Party's calculation		T. IM Turk investigation of D.	
, 1		of the ratio, the Parties shall bill		Total Minutes = Total minutes of use of Reciprocal	
1/50/		one another for their exchange of		Compensation Traffic delivered by Cox to Verizon for	<u> </u>

Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
	· · · · · · · · · · · · · · · · · · ·				
		Local Traffic in accordance		most recent billed quarter.	
		Section 5.7.1, and Cox will bill		Cox Charge at the Cox-IP = (Access Tandem Minutes x	
		Verizon for its delivery of Internet Traffic according to this		\$.001590) + (End Office Minutes x \$.000927)	
		Section 5.7.7; and (iv) the		Total Minutes	
		Parties agree to make the		For the first year after the Effective Date, the Cox	
		Internet Ratio Calculation &		charge shall be calculated based on the traffic data of	
		Billing Process retroactive to the		the quarter immediately preceding such Effective Date,	
		Effective Date of this Agreement		or if no such traffic exists, on the proportion of local call termination trunks to Verizon End Offices and to	
				Verizon Access Tandems.	
				Verizon Access Fangenis.	
				2 Maria di Maria	
1				2. Multiple-tiered interconnection structure (if offered by Cox to any carrier)	
				offered by Cox to any carrier)	
1					
ļ				(a) Reciprocal Compensation Traffic delivered to Cox Access Tandem: \$.001590/ MOU	
1				(b) Reciprocal Compensation Traffic delivered to terminating Cox End Office/node: \$.000927/ MOU	
}				terminating Cox End Office/flode: \$.000927/ MOC	
1					
				C. Miscellaneous Notes	
}					
}		,		1. The Cox termination rate under the single- tiered interconnection structure set forth above is	
				intended to be a Reciprocal Compensation Traffic	
				termination rate for Interconnection to the Cox-IP	
				within each LATA that is reciprocal and equal to the	
				actual rates that will be charged by Verizon to Cox	
				under the two-tiered Reciprocal Compensation Traffic	
1				termination rate structure described above that will	
				apply after the first anniversary of the Effective Date.	
				The single Cox termination rate is also intended to	
}				provide financial incentives to Cox to deliver traffic directly to Verizon's terminating End Offices once	
L				unccity to vertzon's terminating and Offices once	<u> </u>

Statement of Issue	Petitioners' Proposed Contract Language	Petitioners' Rationale	Verizon's Proposed Contract Language	Verizon Rationale
			Cox's traffic volumes reach an appropriate threshold.	
			1. Traffic Measurement and Billing over Interconnection Trunks	
			1.1 For billing purposes, each Party shall pass Calling Party Number (CPN) information on at least ninety-five percent (95%) of calls carried over the Interconnection Trunks.	
			1.1.1 As used in this Section 0, "Traffic Rate" means the applicable Reciprocal Compensation Traffic rate, Measured Internet Traffic rate, intrastate Switched Exchange Access Service rate, interstate	
			Switched Exchange Access Service rate, or intrastate/interstate Tandem Transit Traffic rate, as provided in the Pricing Attachment, an applicable Tariff, or, for Measured Internet Traffic, the FCC	
			Internet Order. 1.1.2 If the originating Party passes CPN on ninety-	
			five percent (95%) or more of its calls, the receiving Party shall bill the originating Party the Traffic Rate applicable to each relevant minute of traffic for which	
			CPN is passed. For any remaining (up to 5%) calls without CPN information, the receiving Party shall bill the originating Party for such traffic at the	
			Traffic Rate applicable to each relevant minute of traffic, in direct proportion to the minutes of use of calls passed with CPN information.	
			1.1.3 If the originating Party passes CPN on less than ninety-five percent (95%) of its calls and the originating Party chooses to combine Reciprocal	
DE DISTIN	ICTION AMONG	ACTION AMONG DETITIONEDS IS NECESSARY. W	ACTION AMONG DESITIONEDS IS NECESSARY, World Com (hold): Cov (under	calls passed with CPN information. 1.1.3 If the originating Party passes CPN on less than ninety-five percent (95%) of its calls and the

Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
				trunk group, the receiving Party shall bill the higher	
ĺ				of its interstate Switched Exchange Access Service	
ļ				rates or its intrastate Switched Exchange Access	
ŀ				Services rates for all traffic that is passed without	
				CPN, unless the Parties agree that other rates should	
				apply to such traffic.	
-				1.2 At such time as a receiving Party has the	
1				capability, on an automated basis, to use such CPN to	
				classify traffic delivered over Interconnection Trunks	
ļ				by the other Party by Traffic Rate type (e.g.,	
ļ				Reciprocal Compensation Traffic/Measured Internet	
				Traffic, intrastate Switched Exchange Access Service,	
Ì				interstate Switched Exchange Access Service, or	
1				intrastate/interstate Tandem Transit Traffic), such	
1				receiving Party shall bill the originating Party the	
ł				Traffic Rate applicable to each relevant minute of	
ł				traffic for which CPN is passed. If the receiving	
}				Party lacks the capability, on an automated basis, to	
				use CPN information on an automated basis to	
į				classify traffic delivered by the other Party by Traffic	
ľ				Rate type, the originating Party will supply Traffic	
				Factor 1 and Traffic Factor 2. The Traffic Factors	
				shall be supplied in writing by the originating Party	
		· ·		within thirty (30) days of the Effective Date and shall	
				be updated in writing by the originating Party	
				quarterly. Measurement of billing minutes for	
				purposes of determining terminating compensation	
ĺ				shall be in conversation seconds. Measurement of	
				billing minutes for originating toll free service access	
l				code (e.g., 800/888/877) calls shall be in accordance	
				with applicable Tariffs. Determinations as to whether	
				traffic is Reciprocal Compensation Traffic or	
1				Measured Internet Traffic shall be made in	
1				accordance with Section 0 below.	

Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
				1.3 Each Party reserves the right to audit all Traffic, up to a maximum of two audits per calendar year, to ensure that rates are being applied appropriately; provided, however, that either Party shall have the right to conduct additional audit(s) if the preceding audit disclosed material errors or discrepancies. Each Party agrees to provide the necessary Traffic data in conjunction with any such audit in a timely manner. 1.4 Nothing in this Agreement shall be construed to limit either Party's ability to designate the areas within which that Party's Customers may make calls which that Party rates as "local" in its Customer Tariffs.	
I-5-d	(d) Should specific terms be adopted to govern the implementation of the growth caps on compensable ISP-bound traffic, incorporating an actual number based on the parties' traffic for the first quarter of 2001, and should that cap be applied on an annual basis? How should the parties implement a Verizon offer to exchange all traffic subject to section 251(b)(5) at the rate mandated by the FCC for terminating ISP-bound traffic?	5.7.7.4 Cap on Total Internet Traffic Minutes (a) For Internet Traffic exchanged during the year 2001, and to the extent this Agreement remains in effect during that year, compensation at the rates set out above shall be billed by the terminating Party to the originating Party on Internet Traffic minutes only up to a ceiling equal to, on an annualized basis, the number of Internet Traffic minutes for which the terminating Party was entitled to compensation during the first quarter of 2001, plus a	Specific terms and conditions regarding the growth caps applicable to ISP-bound traffic must not be excluded from the Agreement. The Agreement must contain specific terms regarding implementation of the growth caps on compensable ISP-bound traffic, including the actual baseline cap applicable to 2001. See AT&T Rationale at 1.5.	5.6 Measurement and Billing 5.6.1 For billing purposes, each Party shall pass Calling Party Number ("CPN") information on at least ninety-five percent (95%) of calls carried over the Traffic Exchange Trunks. 5.6.1.1 If the originating Party passes CPN on ninety-five percent (95%) or more of its calls, the receiving Party shall bill the originating Party the Reciprocal Compensation Traffic call completion rate, Measured Internet Traffic rate, Intrastate Exchange Access rates, intrastate/interstate Tandem Transit Traffic rates, or interstate Exchange Access rates applicable to each minute of traffic, as provided in Exhibit A, the FCC Internet Order and applicable Tariffs, for which CPN is passed. For any remaining (up to 5%) calls without CPN information, the receiving Party shall bill the originating Party for such traffic as Reciprocal	With regard to AT&T's currently proposed Issues I-5-d, Verizon agrees that this issue ultimately is appropriate for arbitration should the Parties fail to resolve it in the context of mediation.

Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
		ten percent growth factor. The		originating Party for such traffic as Reciprocal	
1		Parties agree that the number of		Compensation Traffic call completion rate, Measured	
1 1		Internet Traffic minutes for		Internet Traffic rate, intrastate Exchange Access rates,	
1 1		which the terminating Party was		intrastate/interstate Tandem or Tandem Transit	
1		entitled to compensation during		Traffic rates, or interstate Exchange Access rates	
1		the first quarter of 2001 is		applicable to each minute of traffic, as provided in	
1		. Therefore, the cap for		Exhibit A, the FCC Internet Order and applicable	
1 1		total Internet Traffic minutes for		Tariffs, in direct proportion to the minutes of use of	
1 1		2001, expressed on an		calls passed with CPN information.	
		annualized basis, is,			
1		which is calculated by		5.6.1.2 If the originating Party passes CPN on less	
1		multiplying the first quarter total		than ninety-five percent (95%) of its calls and the	
1		by four and increasing the result		originating Party chooses to combine Reciprocal	
1		by ten percent.		Compensation and Toll Traffic on the same trunk	
}		}		group, the terminating Party shall bill its interstate	
1		(b) For Internet Traffic		Switched Exchange Access Service rates for all traffic	
		exchanged during the year 2002		passed without CPN unless the Parties agree that such	
		and to the extent this Agreement		other rates should apply to such traffic.	
		remains in effect during that			
]		year, compensation at the rates		5.6.2 Either Party may classify traffic as either	
<u> </u>		set out above shall be billed by		Reciprocal Compensation Traffic/Measured Internet	
1		the terminating Party to the		Traffic or Toll Traffic for billing purposes by using	
((originating Party on Internet		Traffic Factor 1 and Traffic Factor 2, in lieu of CPN	
		Traffic minutes only up to a		information. The Traffic Factor 1 and Traffic Factor 2	
		ceiling equal to the number of		applicable upon the Effective Date are specified in	
		Internet Traffic minutes for		Schedule 5.6. Such Traffic Factors may be updated by	
1		which the terminating Party was		the originating Party quarterly by written notification.	
		entitled to compensation in		The determination of whether traffic is Reciprocal	
		2001, plus a ten percent growth		Compensation Traffic or Measured Internet Traffic shall be in accordance with Section 5.7.5, below.	
		factor. The Parties agree that the		Shan be in accordance with Section 5.7.5, below.	
1		cap for total Internet Traffic		5.6.3 Measurement of billing minutes for purposes of	
		minutes number of Internet		determining terminating compensation shall be in	
		Traffic minutes for which the		conversation seconds. The total conversation seconds	
		terminating Party is entitled to		over each individual Traffic Exchange trunk group will	
		compensation in 2002 is		be totaled for the entire monthly billing cycle and then	
L		which is	1 110 (1 11) (2 (1 11)	be totaled for the entire monthly brining cycle and then	<u> </u>

Issue		Petitioners' Proposed Contract	Petitioners' Rationale		
No.	Statement of Issue	Language		Verizon's Proposed Contract Language	Verizon Rationale
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		, which is		rounded to the next whole minute. Measurement of	
1 1		calculated by increasing the cap		billing minutes for (unqueried) originating toll free	
1		for total Internet Traffic minutes		service access code (e.g., 800/888/877/866) calls shall	
		for 2001 by ten percent.		be in accordance with applicable Tariffs.	
1 1		(c) For Internet Traffic		Reciprocal Compensation Traffic Termination Rates	
1		exchanged during the year 2003		A. Charges by Verizon	
1 1		and to the extent this Agreement			
		remains in effect during that		(a) Traffic delivered to or Verizon Access	
		year, compensation at the rates		<u>Tandem:</u> \$.001590 per <u>MOU</u> .	
1 1		set out above shall be billed by		(b) <u>Traffic delivered directly to terminating Verizon</u>	
1		the terminating Party to the		End Office: \$.000927 per MOU.	
} }		originating Party only on			
}		Internet Traffic minutes up to		B. Charges by Cox	•
į į		the year 2002 cap determined in		b. charges by con	
		subsection 5.7.7.4(b) above.			
				1. Single-tiered interconnection structure:	
1		(d) The cap will be applied on		Cox's rates for the termination of Verizon's Reciprocal	
		an annual basis. The terminating		Compensation Traffic under the single-tiered	
[Party shall bill the originating		interconnection structure shall be recalculated once	
		Party monthly for all Internet		each year on each anniversary of the Effective Date	
1		Traffic received until the annual		(the "Rate Determination Date"). The methodology	
1		cap is reached, at which point,		for recalculating the rates is as follows:	
		the terminating Party will cease		Access Tandem Minutes = Total minutes of use of	
1		further billing of Internet Traffic		Reciprocal Compensation Traffic delivered by Cox to	
		for the remainder of that		the Verizon Access Tandem for most recent billed	
		calendar year.		quarter.	
		(a) The minutes of Internal			
		(e) The minutes of Internet Traffic that exceed the ceiling		End Office Minutes = Total minutes of use Reciprocal	
		established for each year shall be		Compensation Traffic delivered by Cox directly to the	
İ		exchanged by the Parties on a		terminating Verizon End Office for most recent billed	
1		bill and keep basis, without		quarter.	
1		compensation being paid on			
1		such excess minutes by either		Total Minutes - Total minutes of use of Posi-	
	DE DICTINICTION AMONG	Such excess minutes by either		Total Minutes - Total minutes of use of Reciprocal	L

Issue No.	Statement of Issue	Petitioners' Proposed Contract Language	Petitioners' Rationale	Verizon's Proposed Contract Language	Verizon Rationale
		Party. See AT&T Contract Language at 1.5.		Compensation Traffic delivered by Cox to Verizon for most recent billed quarter. Cox Charge at the Cox-IP = (Access Tandem Minutes x \$.001590) + (End Office Minutes x \$.000927) Total Minutes For the first year after the Effective Date, the Cox charge shall be calculated based on the traffic data of the quarter immediately preceding such Effective Date,	
				or if no such traffic exists, on the proportion of local call termination trunks to Verizon End Offices and to Verizon Access Tandems. 2. Multiple-tiered interconnection structure (if	
				offered by Cox to any carrier) (a) Reciprocal Compensation Traffic delivered to Cox Access Tandem: \$.001590/ MOU (b) Reciprocal Compensation Traffic delivered to terminating Cox End Office/node: \$.000927/ MOU	
				C. Miscellaneous Notes 1. The Cox termination rate under the single-tiered interconnection structure set forth above is intended to be a Reciprocal Compensation Traffic	
				termination rate for Interconnection to the Cox-IP within each LATA that is reciprocal and equal to the actual rates that will be charged by Verizon to Cox under the two-tiered Reciprocal Compensation Traffic termination rate structure described above that will apply after the first anniversary of the Effective Date. The single Cox termination rate is also intended to provide financial incentives to Cox to deliver traffic	